

21 January 1997

MEMORANDUM FOR Sr RM Conferees, 22-24 January 1997

SUBJECT: Quality of Life Enhancements, Defense (QOLED) - INFORMATION PAPER

1. PURPOSE. Provide description of this new appropriation.
2. RECOMMENDED USE. For information only.
3. INFORMATION. a. Subject appropriation was created by Title II of P.L. 104-208, the DoD Appropriations Act for FY 1997. Its purpose is "For expenses, not otherwise provided for, resulting from unfunded shortfalls in the repair and maintenance of real property of the Department of Defense (including military housing and barracks)."

b. The sum of \$600 million was appropriated with an obligational life of two years, i.e. until 30 September 1998. There are ten subdivisions of these funds:

Army, \$149 million	Navy Reserve, \$18 million
Navy, \$108 million	Marine Corps Reserve, \$9 million
Marine Corps, \$45 million	Air Force Reserve, \$15 million
Air Force, \$108 million	Army National Guard, \$86 million
Army Reserve, \$18 million	Air National Guard, \$44 million

c. QOLED funds will be used for both design and construction with the same limitations and approval requirements for minor construction (\$1,500,000) and major maintenance and repair. Under procedures adopted by HQDA, all MACOM may submit, and have approved, DD Forms 1391 on selected upgrade projects. Once HQDA approval is granted, HQUSACE will issue work directives and FADs directly to districts for project execution. Note that these procedures apply only to the Army component. No additional information is available presently on the other nine.

d. Because QOLED and various O&M (including Family Housing) can both be construed as available for the same purpose, the Army is not required to use one over the other; however, once a determination is made and a project is funded with QOLED it must continue to be so funded, without augmentation from others. In other words, no commingling.

e. Because of economies and efficiencies anticipated in the execution of this program, it has been determined that the S&A rate of 5.7% and contingencies of 8% will be programmed. Two per cent of contingencies will be provided to the district at the time of award.

f. Note that the S&A carryover provisions will apply for this appropriation (in FY 1999).

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g. This program is anticipated to continue on into the future for several years at a funding level of about \$150 million (for Army).

4. COORDINATION. CEMP-M Erica Ellis 21 Jan 97

5. APPROVAL. The Director of Resource Management approved this paper.

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202-761-0658